

W: 01303A-08.0227

SW: 01303A-08.0227

OPEN MEETING AGENDA ITEM



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ARIZONA CORPORATION COMMISSION

ORIGINAL

UTILITY COMPLAINT FORM

Investigator: Guadalupe Ortiz

Phone: [REDACTED]

Fax: [REDACTED]

Priority: Respond Within Five Days

Opinion No. 2009 82883

Date: 11/5/2009

Complaint Description: 08A Rate Case Items - Opposed  
N/A Not Applicable

First:

Last:

Complaint By: Phillip J. Fruth & Rita Fruth

Account Name: Phillip J. Fruth & Rita M. Fruth

Home: [REDACTED]

Street: [REDACTED]

Work: [REDACTED]

City: Sun City West

CBR: [REDACTED]

State: AZ

Zip: [REDACTED]

is: E-Mail

Utility Company: Arizona - American Water Company

Division: Water

Contact Name: [REDACTED]

Contact Phone: [REDACTED]

Nature of Complaint:

EMAIL RECEIVED - Opinion Opposed:

Docket No.

From: [REDACTED]  
Sent: Wednesday, November 04, 2009 5:52 PM  
To: Utilities Div - Mailbox  
Subject: Inquiry attached

Inquiry attached

Account No. 23-0268647-8

See attached regarding the e-doc posted on the Commission website 03 NOV 09 concerning Docket No. W-01303A-08-0227

Please verify receipt by return email response.

Phillip J. & Rita M. Fruth

Sun City West, AZ

Ph: [REDACTED] Email: [REDACTED]

ATTACHED:

Wednesday, November 04, 2009

Arizona Corporation Commission

DOCKETED

NOV 12 2009

DOCKETED BY

[Signature]

ARIZONA CORPORATION COMMISSION  
COMMUNICATIONS SECTION

2009 NOV 12 PM 4:04

RECEIVED

# ARIZONA CORPORATION COMMISSION

## UTILITY COMPLAINT FORM

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Arizona Corporation Commission  
Consumer Services Section  
1200 W. Washington St.  
Phoenix, AZ 85007

The following information is submitted regarding water & sewer service to the property at the above-mentioned address, AZ American Water (AZAW) customer account 23-0268647-8 (Rita M. Fruth), and those similarly situated in the Corte Bella residential development, who would be further impacted by the revised rate proposal Docket No. W-01303A-08-0227 and the summary document including recommendations of Administrative Law Judge Teena Wolfe dated 03 NOV 09.

### SUMMARY OF COMPLAINT/INQUIRY

The customer contends that the language used in Exhibit B is unclear with respect to the "Minimum Billing" charge. It's not clear if this includes some water usage or if the stated fee is for a zero water usage situation. If for a zero water usage situation and as such is the same as the "Basic Service" line item cost on a typical AZ American Water billing statement, the fee for a 1" meter would rise from \$23.24 to \$34.66 or a 49% increase. This increase would appear to have little justification other than to hide increasing cost of water in the basic monthly service fee in addition to the 32% increase in the cost per 1,000 gallon rate in the Agua Fria district (\$2.06 per 1,000 gallons now vs \$2.728 in the 03 NOV 09 document.

Also of concern is the extraordinary "Monthly Minimum" cost difference associated with 5/8" versus 1" meters. This alone is a 150% cost difference between meter sizes with basically no value to the customer. The meter costs, nor their installation and maintenance cannot justify such a difference. In my view, the Monthly Minimums should be the same for 5/8", 3/4", or 1" meters (the \$13.85 per month).

The proposals in the 03 NOV 09 also do not address the costs of meter "downsizing" should the customer chose this path to reduce delivered water costs at a residential property. Making the costs for a 5/8", 3/4", 1" meter the same is preferred, however, the meter downsizing cost should be spelled out if no other alternative is available. A reasonable and "red tape free" cost to implement a meter change should be presented. As part of a community of 1650 residential properties, I believe all customers have been saddled with unnecessarily high water costs by installation of oversized 1" water meters and the associated costs over the last 3-5 years. The customers need relief, at reasonable costs.

Respectfully submitted,

Phillip J. Fruth  
\*End of Complaint\*

### Utilities' Response:

N/A  
\*End of Response\*

### Investigator's Comments and Disposition:

11/5/2009 - Email to Customer:

November 5, 2009

Dear Phillip J. Fruth & Rita M. Fruth

Your email in regard to the Arizona - American Water Company ("AAWC or Company") rate case sent to the Arizona Corporation Commission ("Commission") has been received and assigned to me for further handling. An opinion has been placed on file with the Docket Control Center of the Commission on your behalf to be made part of the record.

**ARIZONA CORPORATION COMMISSION**  
**UTILITY COMPLAINT FORM**

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The Commission will take your comments and concerns into consideration before a decision is rendered in the Company's application. The concerns raised from customers assist the Commission within the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of both; the utility and its customers. Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Commission staff appreciates the time you have taken to express your comments and concerns on the proposed rate increase. If you should have any questions relating to this issue, please call me toll free at (800) 222-7000 or directly at [REDACTED]

Thank you,

Guadalupe Ortiz  
Public Utilities Consumer Analyst  
Arizona Corporation Commission  
Utilities Division  
CLOSED  
\*End of Comments\*

**Date Completed: 11/5/2009**

**Opinion No. 2009 - 82883**

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